

# SRF 101

North Dakota Department of Health

Drinking Water State Revolving Fund

Clean Water State Revolving Fund

North Dakota Public Finance  
Authority



# Agenda

- 💧 Program Overview
- 💧 Bond Counsel
- 💧 IUP/PPL
- 💧 Loan Application Package / Supplemental
- 💧 Facility Plan & Environmental Approval





# Agenda

- 💧 SRF Plans / Specs Approval
- 💧 Bid Review and Contract Award
- 💧 Construction Phase
- 💧 SRF Request for Payments
- 💧 Ongoing SRF Requirements



# SRF Program Overview

David Bruschwein

DeAnn Ament





# SRF Overview

- 💧 Program History
- 💧 Fund Sources and Uses
- 💧 Eligible/Ineligible Projects/Costs
- 💧 Loan Forgiveness
- 💧 Green Project Reserve (GPR)
- 💧 Misc.
- 💧 Capital Financing Program (CFP)
- 💧 CFP Disaster Loans



# Program History

## CWSRF

- 💧 Started in 1987 through the Clean Water Act
- 💧 Loan (2.5% Total Rate effective as of 1/1/2012)
  - 💧 2.0% interest rate
  - 💧 0.5% administrative fee
  - 💧 Maximum of 20 years
  - 💧 3.5% interest rate for systems that do not qualify for tax exempt status





# Program History

## DWSRF

- 💧 Authorized under the 1996 amendments to the Safe Drinking Water Act (SDWA)
- 💧 Loan (2.5% Total Rate effective as of 1/1/2012)
  - 💧 2.0% interest rate
  - 💧 0.5% administrative fee
  - 💧 Maximum of 20 years
  - 💧 3.5% interest rate for systems that do not qualify for tax exempt status



# Sources and Uses of Funds

- 💧 Sources of funds
  - 💧 Capitalization Grants from EPA
  - 💧 Bond proceeds
  - 💧 Repayments
  - 💧 State match
  - 💧 Transfers between SRF programs





# Sources and Uses of Funds

## 💧 Uses of funds

- 💧 Loan fund
- 💧 Program administration
- 💧 PWSS administration (DWSRF only)
- 💧 Small system technical assistance (DWSRF only)
- 💧 Nonpoint source loans (CWSRF only)



# CWSRF Eligible Projects

- 💧 Wastewater treatment, Secondary & Advanced
- 💧 Infiltration/Inflow correction
- 💧 Sewer rehabilitation
- 💧 Interceptor sewers
- 💧 Combined Sewer Overflow (CSO) abatement
- 💧 Storm sewer control
- 💧 Recycling/Reuse of wastewater
- 💧 Nonpoint source activities





# CWSRF Ineligible Projects/Costs

- 💧 Land acquisition
- 💧 Easements
- 💧 Associated legal and engineering fees
- 💧 Operation and maintenance costs



# DWSRF Eligible Projects

- 💧 Address SDWA exceedances
- 💧 Prevent future SDWA exceedances
- 💧 Replace aging infrastructure
- 💧 Buy/finance existing debt obligations (refinance) projects started after July 1993
- 💧 Restructure and consolidate water supplies
- 💧 Purchase a portion of another systems capacity
- 💧 Land acquisition if integral to a project





# DWSRF Ineligible Projects/Costs

- 💧 Dams/rehabilitation of dams
- 💧 Water rights
- 💧 Projects needed mainly for fire protection
- 💧 Operation and maintenance costs
- 💧 Systems in significant noncompliance with SDWA



# DWSRF Ineligible Projects/Costs

- 💧 Drinking water monitoring costs
- 💧 Projects primarily intended to serve future growth
- 💧 Projects that lack adequate technical, managerial and financial capability





# Loan Forgiveness

- 💧 Federal requirement since ARRA
  - 💧 Based on percentage of capitalization grant
- 💧 Provided as loan forgiveness
- 💧 Based on Relative Future Water/Wastewater Cost Index



# Loan Forgiveness

- 💧 Combination of loan and loan forgiveness
- 💧 Per project cap on loan forgiveness (DWSRF)
- 💧 Loan application and binding commitment deadline for loan forgiveness projects





# Green Project Reserve

- 💧 A portion of the capitalization grant must be used for:
  - 💧 Green (Stormwater) Infrastructure
  - 💧 Energy Efficiency
  - 💧 Water Efficiency
  - 💧 Other Environmentally Innovative Activity



# Green Project Reserve

## 💧 Green Infrastructure:

“Practices that manage and treat stormwater and that maintain and restore natural hydrology by infiltrating, evapotranspiring and capturing and using stormwater”

### 💧 Categorical projects

- 💧 Ex – permeable pavement, bioretention, xeriscape

### 💧 Non-eligible

- 💧 Ex – impervious wet weather management systems





# Green Project Reserve

## 💧 Energy Efficiency:

“The use of improved technologies and practices to reduce the energy consumption of water quality projects”

### 💧 Categorical projects

- 💧 Ex – renewable energy

### 💧 Non-eligible

- 💧 Ex – pump replacement (without energy savings)

### 💧 Business case

- 💧 Ex - VFDs



# Green Project Reserve

## 💧 Water Efficiency:

“...the use of improved technology and practices to deliver equal or better services with less water.”

### 💧 Categorical projects

- 💧 Ex – AMR/smart meters
- 💧 Ex – Reuse of wastewater

### 💧 Business case

- 💧 Ex – watermain/water tower replacement





# Green Project Reserve

## 💧 Environmentally Innovative Projects:

“Demonstrate new/innovative approaches to managing water resources in a more sustainable way, including projects that achieve pollution prevention or pollutant removal with reduced costs and projects that foster adaptation of water protection programs and practices to climate change.”

### 💧 Non-eligible

- 💧 Ex – Facultative lagoons

### 💧 Business case

- 💧 Ex – constructed wetlands for wastewater treatment



# Green Project Reserve

- 💧 Business case
  - 💧 Project description
  - 💧 Documents submitted
  - 💧 List of eligible components
  - 💧 Business case evaluation
  - 💧 Project type
  - 💧 Technical evaluation
  - 💧 Financial evaluation
  - 💧 Evaluation conclusion





# Green Project Reserve

- 💧 Eligibility of these components will be verified
- 💧 Business case required with loan application for non-categorical projects



# Misc. SRF

- 💧 Used as match for other funding agencies
- 💧 Federal funds vs non-federal fund requirement
- 💧 Fund Priority List projects (not just Fundable List)
- 💧 Use of Capital Financing Program for interim financing
- 💧 Prescreen project affordability





# Advantages to using SRF funds

- 💧 Eliminates negative carry
- 💧 Borrowing and repayment flexibility
  - 💧 Only pay interest on money drawn
  - 💧 No penalty for early payment
- 💧 Only cost of issuance is bond counsel



# Capital Financing Program

- 💧 Offers financing for projects or improvements for which political subdivisions are legally authorized to borrow money.
- 💧 The interest rates payable by a political subdivision are market rates which are set through a competitive bid process when the PFA issues and sells its bonds to fund the loan.





# Capital Financing Program Disaster Loan Program

This program is used to provide disaster assistance to political subdivisions affected by weather related events until federal and state money is available or to assist in cash flowing local match requirements.



# Disaster Loan Program Eligibility

Any North Dakota political subdivision that is within a county that has received a Presidential Public Disaster Declaration or a gubernatorial executive order or proclamation of a state disaster or emergency is eligible to apply.





# Disaster Loan Program

## Loan Terms

- 💧 Variable Interest Rate -- 3 month LIBOR adjusted monthly + 1.25% with a floor of 2.25%
- 💧 Flexible term with a 5 year maximum.
- 💧 The political subdivision must show ability to repay the financing either from Federal or State government disaster payments or from tax receipts.





# ND Public Finance Authority

[» CAPITAL FINANCING](#)[» STATE REVOLVING FUND](#)[» SCHOOL FINANCING](#)[» INDUSTRIAL DEVELOPMENT](#)[» OFFICIAL STATEMENTS](#)[» FINANCIAL INFORMATION](#)[» FEEDBACK](#)[» LINKS](#)[» HOME](#)

1200 Memorial Highway  
PO Box 5509  
Bismarck, ND 58506-5509

701.328.7100 : phone  
800.526.3509 : toll-free  
701.328.7130 : fax  
[ndpfa@nd.gov](mailto:ndpfa@nd.gov)

## Welcome!

[Click here to learn more about Disaster Financing](#) - **Extended to March 31, 2012**

The North Dakota Public Finance Authority was established for the purpose of making loans to political subdivisions of the State through the purchase of municipal securities which, in the opinion of the Attorney General of North Dakota, are prime eligible for purchase by the Authority. Subject to credit and program requirements, a loan can be made by the Authority to any political subdivision for any purpose for which the political subdivision has the legal authority to borrow money through the issuance of municipal securities. Effective August 1, 2005, the law allows the Authority to purchase qualified small issue bonds and to issue industrial development bonds covered under ND Century Code Chapter 40-57 (Municipal Industrial Development Act).

The Authority, which is under the operation, control and management of the Industrial Commission of North Dakota, is a supporting state agency. The costs and expenses of operation of the Authority are financed with earnings on program investments and fees paid by participating political subdivisions.

**Note:** Throughout the site we make available documents in Adobe Acrobat pdf format. You will need the free Acrobat Reader in order to access these documents and the current version can be obtained from the Adobe web site by clicking on the graphic below.

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# Questions?



# Bond Counsel

Jim Stewart

Arntson Stewart Wegner PC

Fargo, ND

701-280-0195

or

Bismarck, ND

701-255-1008

[jstewart@aswbondlaw.com](mailto:jstewart@aswbondlaw.com)





# Intended Use Plan (IUP) & Project Priority List (PPL)

Chuck Abel



# Ranking Process

- 💧 Request for SRF projects
- 💧 Ranking Questionnaire
- 💧 Update Questionnaire (DWSRF)
- 💧 Determine Points (DWSRF)
  - 💧 Water quality
  - 💧 Water quantity
  - 💧 Infrastructure adequacy
  - 💧 Affordability
  - 💧 Safety and Miscellaneous





# Ranking Process

## Memorandum

- 💧 Potential loan recipients & interested parties
- 💧 Request for Questionnaire – *Deadline Date*
  - 💧 Systems with new (unlisted) projects (DWSRF)
  - 💧 Systems with already-listed projects (DWSRF)
  - 💧 All Projects (CWSRF)



# Ranking Process

## Ranking Questionnaire

- 💧 System information
  - 💧 System name
  - 💧 Contact information
- 💧 Project information
  - 💧 Project description
  - 💧 Anticipated start dates
- 💧 Green Project Reserve information (was discussed earlier)





# Ranking Process

## Ranking Questionnaire (DWSRF)

- 💧 Water quantity
- 💧 Infrastructure adequacy
- 💧 Affordability and project financial considerations
- 💧 Operator safety
- 💧 Miscellaneous



# Ranking Process

## Ranking Questionnaire (DWSRF)

- 💧 Regional and Rural Water Systems ONLY
- 💧 Attachment 1
- 💧 Pre-project & Post-project
  - 💧 Population served
  - 💧 Service connections
  - 💧 Average annual charge for water service





# Ranking Process

## Ranking Questionnaire (DWSRF)

### 💧 Miscellaneous

- 💧 Is the purpose of your project primarily fire protection?

***NO!!!!!!***



# Ranking Process

## Ranking Questionnaire

- 💧 Fill out questionnaire *Completely*
  - 💧 Signature, date, phone number
- 💧 Mail the Questionnaire / Update
  - 💧 SRF Program, 918 E Divide Ave, 3rd Floor  
Bismarck, ND 58501-1947
- 💧 701.328.5211





# Ranking Process

- 💧 Award ranking points
- 💧 Comprehensive Project Priority List (PPL)
- 💧 Fundable List (DWSRF)
- 💧 Public hearing
- 💧 State Water Commission approval (DWSRF)
- 💧 EPA approval



# DWSRF Ranking Process

## Award Ranking Points

- 💧 Water quality
  - 💧 Regulatory issues
  - 💧 Aesthetic issues (secondary)
- 💧 Water quantity (for credit you must provide documentation)
- 💧 Affordability
  - 💧 Community water systems
  - 💧 Non-profit non-community water systems





# DWSRF Ranking Process

## Award Ranking Points

- 💧 Infrastructure adequacy
  - 💧 Items A through P of Ranking Questionnaire
- 💧 Consolidation or regionalization
- 💧 Operator safety



# INTENDED USE PLAN

## IUP

- 💧 IUP is a document provided to EPA on how we plan to administer the SRF Program
- 💧 Project Priority List is an ordered ranking of eligible SRF projects
- 💧 Fundable List is a DWSRF Federal requirement; but, we will work with you to fund a project that is ready to proceed





# Questions?



# Loan Application Package

DeAnn Ament





# Application Process

- 💧 Project must be on IUP/PPL
- 💧 Political subdivision works with bond counsel
- 💧 Application reviewed by PFA
- 💧 Application reviewed by PFA's Advisory Committee
- 💧 Application reviewed by Industrial Commission (if over \$1,000,000)
- 💧 Bond documents filed with PFA
- 💧 Political subdivision may submit loan draws



# Loan Application Package

- 💧 Financial capacity
- 💧 Technical capacity (DWSRF)
- 💧 Managerial capacity (DWSRF)





# Loan Application

## Financial

- 💧 Contents and instructions
- 💧 SRF program application
- 💧 Budget sheet



## CONTENTS AND INSTRUCTIONS

### CONTENTS OF APPLICATION PACKAGE

1. SRF Program Application
2. Budget Sheet
3. Request for Supplemental Information
4. Debarment and Suspension Certification
5. Preaward Compliance Review Report
6. Resolution of Governing Body

### APPLICATION SUBMISSION

Complete items 1-6 and submit to:

North Dakota Department of Health  
Division of Municipal Facilities  
918 East Divide Avenue, Third Floor  
Bismarck, ND 58501-1947

### APPLICATION PROCESS

1. Project must be on the Department of Health's Intended Use Plan (IUP)
2. Application reviewed by ND Public Finance Authority (PFA)
3. Application reviewed by PFA's Advisory Committee
4. Application reviewed by the ND Industrial Commission
5. Political subdivision's bond counsel prepares bond documents
6. Bond documents are filed with the PFA
7. Political subdivision may submit loan draw requests to the Department of Health

### IMPORTANT REMINDERS

- The political subdivision is responsible for selecting and retaining bond counsel.
- SRF loans are Federal Funds and subject to specific auditing procedures. Please alert your auditor.
- Revenue bonds require 120% coverage and a reserve fund.
- Audit reports or financial statements must be filed annually with the PFA.

### QUESTIONS

Completing pages 1 – 7 of the application:  
**ND Public Finance Authority**  
**Phone:** 1.800.526.3509 or 701.328.7100  
**Fax:** 701.328.7130  
**Email:** [ndpfa@nd.gov](mailto:ndpfa@nd.gov)  
**Website:** [www.nd.gov/pfa](http://www.nd.gov/pfa)

Project Approval & IUP  
**ND Department of Health**  
**Phone:** 701.328.5211  
**Fax:** 701.328.5200  
**Email:** [dbruschw@nd.gov](mailto:dbruschw@nd.gov)  
**Website:** <http://www.ndhealth.gov/ME/>



*Drinking Water  
State Revolving Fund Program  
Loan Application*

Political Subdivision: \_\_\_\_\_

Data Universal Numbering System (DUNS Number): \_\_\_\_\_

Contact Person for Political Subdivision: \_\_\_\_\_

Title: \_\_\_\_\_ Email: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

All information provided in this program application is certified by the public official whose name appears below to be true and correct as of the date on application.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name & Title

**A. GENERAL**

1. Political Subdivision's Auditor/Officer: \_\_\_\_\_  
(if different from above)

Email: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

2. Political Subdivision's Bond Counsel: \_\_\_\_\_

3. Political Subdivision's Engineering Firm: \_\_\_\_\_

Project Engineer: \_\_\_\_\_

Phone: \_\_\_\_\_

**B. PROJECT INFORMATION**

1. Description of project to be financed with the loan proceeds:


- 2.

Source	Amount of Funding
SRF Loan Request	\$
CDBG	
RD	
Local	
<b>Total Project Costs</b>	<b>\$</b>

3. Number of years to repay loan (maximum term 20 years) : \_\_\_\_\_

4. Construction will begin: \_\_\_\_\_. Construction will be completed: \_\_\_\_\_.

Estimated Payment Request Schedule	Amount of Payment Requests
Year 1	\$
Year 2	
Year 3	
Year 4	
Year 5	
<b>Total Payment Requests</b> <small>(Must equal SRF Loan Request Amount)</small>	<b>\$</b>

5. If the purpose of the requested financing is to refinance an outstanding obligation, please provide the following information and attach a copy of the debt service schedule for the obligation to be refinanced:

a. Original dollar amount of the obligation to be refinanced: \_\_\_\_\_

b. Dated date of the obligation to be refinanced: \_\_\_\_\_

6. Will other federal funding be used for this project? Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, will this project require non-federal SRF funds? Yes \_\_\_\_\_ No \_\_\_\_\_



**A. PROJECT INFORMATION**

1. Description of project to be financed with the loan proceeds:

---

---

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---

---

- 2.

Source	Amount of Funding
SRF Loan Request	\$
CDBG	
RD	
Local	
<b>Total Project Costs</b>	\$ 1

Comment [da1]: Equals Total on Budget page 7

3. Number of years to repay loan (maximum term 20 years)  
: \_\_\_\_\_

Markup Area

4. Construction will begin: \_\_\_\_\_. Construction will be completed:\_\_\_\_\_.

Estimated Payment Request Schedule	Amount of Payment Requests
Year 1	\$
Year 2	
Year 3	
Year 4	
Year 5	
<b>Total Payment Requests</b> (Must equal SRF Loan Request Amount)	\$



### C. FUNDING INFORMATION

1. Please describe the source of funds for the repayment of principal and interest on the proposed financing (i.e., general obligation tax levy, special assessments, user fees): \_\_\_\_\_

2. If the proposed financing will be evidenced by **revenue bonds**, please attach your own worksheet or complete the following worksheet concerning existing rates, necessary rate increases, and estimated/projected revenues with respect to the utility system or fund related to the proposed project. Rates and fees must provide annual net revenues equal to 120% of the average annual principal and interest requirements for repayment of the loan. Further, a reserve fund must be established in the amount which qualifies as a reasonably required reserve fund under federal tax laws and regulations. The reserve fund must be fully-funded no later than five years after the loan has been fully-funded or as otherwise agreed.

#### Rate history and projections:

	Prior Year 2	Prior Year 1	Current Year	Projected Year 1	Projected Year 2
Service connections:					
Residential	_____	_____	_____	_____	_____
Commercial	_____	_____	_____	_____	_____
Base rate:					
Residential	_____	_____	_____	_____	_____
Commercial	_____	_____	_____	_____	_____
Revenue per connection:					
Residential	_____	_____	_____	_____	_____
Commercial	_____	_____	_____	_____	_____

3. Estimated increase or decrease in total **annual** operation and maintenance costs (including depreciation and repair and replacement reserves) as the result of this project:

Source	Increase/(Decrease)
Depreciation	\$ _____
Repairs	_____
Operation	_____
Maintenance	_____
Replacement Reserves	_____
	_____
<b>Total O&amp;M Increase/(Decrease)</b>	<b>\$ _____</b>

4. Estimated increase or decrease in total annual costs per average residential/commercial customer as the result of this project:

Residential \$ \_\_\_\_\_

Commercial \$ \_\_\_\_\_

### Rate history and projections:

	<u>Prior Year 2</u>	<u>Prior Year 1</u>	<u>Current Year</u>	<u>Projected Year 1</u>	<u>Projected Year 2</u>
Service connections:					
Residential	—	—	—	—	—
Commercial	—	—	—	—	—
Base rate:					
Residential	—	—	—	—	—
Commercial	—	—	—	—	—
Revenue per connection:					
Residential	—	—	—	—	—
Commercial	—	—	—	—	—



5. Five largest users as of \_\_\_\_\_, 20\_\_\_\_:

Name	Usage (percent of total)	Revenue (most recent fiscal year)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

#### D. BONDED INDEBTEDNESS

1. Present Indebtedness: If necessary, attach additional pages.

Year Issued	Purpose	Type of Bond	Initial Amount	Outstanding Balance	Avg. Annual P&I Payment Amount	Final Maturity Date

Please list any available sinking funds already deposited and pledged to the payment of principal and interest on the outstanding obligations listed above.

#### Sinking Funds:

Issue Identified by  
Date and Purpose

Sinking Fund  
Amount

2. Anticipated Indebtedness: Please list any known future indebtedness of any type, including lease financing, which the political subdivision intends to issue or incur in the next twenty-four months. Include in the description the type of debt, estimated amount and the final maturity. \_\_\_\_\_
3. Defaults: If the political subdivision has ever defaulted in the payment of principal or interest on any of its outstanding indebtedness, please give a description of the default and any corrective measures taken by the political subdivision. \_\_\_\_\_

**D. BONDED INDEBTEDNESS**

1. Present Indebtedness.: If necessary, attach additional pages.

Year Issued	Purpose	Type of Bond	Initial Amount	Outstanding Balance	Avg. Annual P&I Payment Amount	Final Maturity Date

Please list any available sinking funds already deposited and pledged to the payment of principal and interest on the outstanding obligations listed above.

## E. ECONOMIC AND SOCIAL INFORMATION

1. Population of political subdivision:

Current Estimated \_\_\_\_\_ 2010 \_\_\_\_\_ 2000 \_\_\_\_\_ 1990 \_\_\_\_\_

2. School enrollment for the current school year and the past four school years, and projected for the next two years.

<u>School Year</u>	<u>Elementary</u>	<u>Junior High School</u>	<u>High School</u>	<u>Total</u>
_____ *	_____	_____	_____	_____
_____ *	_____	_____	_____	_____
_____ *	_____	_____	_____	_____
_____ *	_____	_____	_____	_____
_____ **	_____	_____	_____	_____
_____ ***	_____	_____	_____	_____
_____ ***	_____	_____	_____	_____

\*Past four years

\*\*Current year

\*\*\*Projected next two years

3. List the three largest employers within the boundaries of the political subdivision, if such information is available:

<u>EMPLOYER</u>	<u>TYPE OF BUSINESS</u>	<u>NUMBER OF EMPLOYEES</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. Please describe any significant changes concerning major employers within the boundaries of the political subdivision during the past twenty-four months and any reported future changes concerning existing or new major employers: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



## F. ATTACHMENTS

1. Do you have a Capital Improvement Plan or a Water System Plan?  
Yes \_\_\_ No \_\_\_ (If yes, please include a copy(s) with the completed application)
2. The following information **must be submitted** with this loan application (requested information which appears in the financial statements may be included by reference):
  - a. The three most recent annual audited financial statements. **If you already file audits with the PFA, only provide audits not previously filed.**
  - b. The most recent year-end and month-end combined balance sheets for all fund types and account groups.
  - c. The most recent year-end and month-end combined statements of revenues and expenses for all enterprise funds.
  - d. The current year's operating budget for the fund in which the project will be held as an asset, and the proposed operating budget for the first year of the loan repayment term (and any other years for which a proposed budget has been prepared).
  - e. The feasibility/engineering study for the proposed project.
3. If the proposed financing will be evidenced by **improvement bonds (special assessments)**, please attach the following:
  - a. A copy of the resolution or ordinance creating the improvement district.
  - b. A copy of the certificate confirming the assessment list.
  - c. A copy of the city auditor's most recent certification of special assessments to the county auditor (if applicable).

## BUDGET SHEET

COST CLASSIFICATION	SRF	CDBG	LOCAL	OTHER	TOTAL
1. Administrative expenses	\$	\$	\$	\$	\$
2. Land, structures, rights-of-way					
3. Engineering basic fees					
4. Other engineering fees					
5. Project inspection fees					
6. Land development					
7. Relocation expenses					
8. Construction and project improvement					
9. Equipment					
10. Capitalized interest					
11. Other (describe)					
12. Miscellaneous					
13. <b>SUBTOTAL</b>	\$	\$	\$	\$	\$
14. Contingencies					
15. <b>TOTAL</b>	\$	\$	\$	\$	\$

16. SRF Funds .....	\$				
17. CDBG Funds .....	\$				
18. LOCAL Funds .....			\$		
19. OTHER Funds .....				\$	
20. <b>TOTAL All Funds</b> .....					\$

# Important Reminders

- 💧 **ALL** items must be completed
- 💧 Political subdivision responsibilities
  - 💧 Select & retain bond counsel
- 💧 A letter is sent after the loan is approved
- 💧 Loan draws must begin within a year of approval





# Questions?



# Loan Application Package Supplemental

Chuck Abel





# Loan Application Attachment

- 💧 Request for Supplemental Information (DWSRF Only)
- 💧 Debarment And Suspension Certification
- 💧 Pre-award Compliance Review Report
- 💧 Resolution of Governing Body





# ATTACHEMENT

Capability a.k.a. Capacity

- 💧 Financial Capacity CWSRF & DWSRF (by PFA)
- 💧 Technical Capacity (DWSRF only)
- 💧 Managerial Capacity (DWSRF only)



# Technical Capacity

## (DWSRF Only)

- 💧 Schematic (rough sketch block diagram)
- 💧 Source and finished water
  - 💧 Quantity
  - 💧 Quality
- 💧 Wellhead protection / Source water assessment programs
- 💧 Documentation





# Technical Capacity

## (DWSRF Only)

- 💧 Infrastructure condition
- 💧 Current and future adequacy
- 💧 Class of water system
- 💧 Operator certification
- 💧 O & M manual
- 💧 Emergency response plan
- 💧 SDWA violations





# Managerial Capacity

## (DWSRF Only)

- 💧 Ownership accountability
- 💧 Identify operator(s) & specific job descriptions
- 💧 Continuing Education Credits
- 💧 Responsibility to establish policies
- 💧 Written policies



**CERTIFICATION REGARDING  
DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

The prospective participant certifies to the best of its knowledge and belief that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
- (d) Have not, within a three-year period preceding this application/proposal, had one or more public transactions (federal, state or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 U.S.C. Section 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

Name and Title of Authorized Representative

Signature of Authorized Representative

Date



# Debarment & Suspension Certification: CWSRF & DWSRF

- 💧 Each must return the signed certification
  - 💧 Recipient of an SRF loan submit to State
  - 💧 Prime contractor submit to loan recipient
  - 💧 Subcontractor submit to the prime contractor
- 💧 With *original* signatures





Preaward Compliance Review Report For Construction Loans		
<b>Note:</b> Read instructions on preceding page before completing form.		
I. A. Applicant (Name and State)		B. SRF Project No.
II. A. Are any civil rights lawsuits or complaints pending against applicant? If "Yes", list those complaints and the disposition of each complaint.		<input type="checkbox"/> Yes <input type="checkbox"/> No
II. B. Have any civil rights compliance reviews been conducted during the two years prior to this application for activities which would receive EPA assistance? If "Yes", list those compliance reviews and status of each review.		<input type="checkbox"/> Yes <input type="checkbox"/> No
III. A. Population Characteristics		Number of People
1. A. Population of entire service area		
B. Minority population of entire service area		
2. A. Population currently served		
B. Minority population currently served		
3. A. Population to be served by project		
B. Minority population to be served by project		
4. A. Population to remain without service		
B. Minority population to remain without service		
B. If entire community under the applicant's jurisdiction is not served under the existing facilities or will not be served under the proposed plan, give reasons why.		
C. Give the schedule for future construction by which service will be provided to all inhabitants within applicant's jurisdiction. If there is no schedule, explain why.		
D. Is a federal agency being asked or already providing financial assistance to any construction associated with this project? If "Yes", list the federal agency(s), describe the associated work and the dollar amount of assistance.		<input type="checkbox"/> Yes <input type="checkbox"/> No
E. Will all new facilities or alterations to existing facilities financed by this loan be designed and constructed to be readily accessible and useable by handicapped persons? If "No", explain how a regulatory exception (40 CFR 7.70) applies.		<input type="checkbox"/> Yes <input type="checkbox"/> No
IV. Certification		
I certify that the information given above is true and correct to the best of my knowledge or belief. (A willfully false statement is punishable by law: U.S. Code, Title 18, Section 1001)		
A. Signature of Authorized Official	B. Title of Authorized Official	C. Date
For the U.S. Environmental Protection Agency		
Regional Director of Civil Rights		Date
<input type="checkbox"/> Approved <input type="checkbox"/> Disapproved		

# Pre-award Compliance Review

## Report: CWSRF & DWSRF

- 💧 Population characteristics (Totals must be accurate)
  - 1. A. Population of entire service area
    - B. Minority population of entire service area
  - 2. A. Population currently served
    - B. Minority population currently served
  - 3. A. Population to be served by project
    - B. Minority population to be served by project
  - 4. A. Population to remain without service
    - B. Minority population to remain without service



# Pre-award Compliance Review Report Certification

- 💧 Signature of authorized official
  - 💧 *Original* signatures required
- 💧 Title of authorized official
- 💧 Date





**RESOLUTION OF GOVERNING BODY OF APPLICANT**  
(Suggested Format)

RESOLUTION NO. \_\_\_\_\_

Resolution authorizing filing of application with the North Dakota Department of Health for a Loan under the Safe Drinking Water Act.

WHEREAS, under the terms of the Safe Drinking Water Act, the United States of America has authorized the making of Loans to authorized applicants to aid in the construction of specific public projects:

Now, Therefore, Be It Resolved \_\_\_\_\_  
(Governing Body of Applicant)

1. That \_\_\_\_\_ be and is hereby authorized to execute  
(Designate Official)  
and file an application on behalf of \_\_\_\_\_ with the North  
(Legal Name of Applicant)  
Dakota Department of Health for a Loan to aid in the construction of \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(Brief Project Description)

2. That \_\_\_\_\_, be and is  
(Name of Authorized Representative) (Title)  
hereby authorized and directed to furnish such information as the North Dakota Department of Health may reasonably request in connection with the application which is herein authorized to be filed, to sign all necessary documents, and, on behalf of city, to accept Loan offer and receive payment of Loan funds.

**CERTIFICATE OF RECORDING OFFICER**

The undersigned duly qualified and acting \_\_\_\_\_ of the  
(Title of Officer)

\_\_\_\_\_ does hereby certify:  
(Legal Name of Applicant)

That the attached resolution is a true and correct copy of the resolution, authorizing the filing of application with the North Dakota Department of Health, as regularly adopted at a legally convened meeting of the \_\_\_\_\_ duly held on the \_\_\_\_\_ day of  
(Name of Governing Body of Applicant)

\_\_\_\_\_, 20\_\_\_\_; and further that such resolution has been fully recorded in the journal of proceedings and records in my office.

In Witness Whereof, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(SEAL)  
If applicant has  
an official seal,  
impress here.

\_\_\_\_\_  
(Signature of Recording Officer)

\_\_\_\_\_  
(Title of Recording Officer)

# Resolution of Governing Body (suggested format) CWSRF & DWSRF

- 💧 Resolution number
- 💧 Governing body of applicant
- 💧 Designated official authorized to execute
- 💧 Legal name of applicant
- 💧 Brief project description
- 💧 Certificate of recording officer

Note: If designated official gets replaced – Send new updated form



# SRF Loan Application Submission

- 💧 Complete ***ALL Items***
- 💧 Submit ***One SIGNED ORIGINAL*** application to:  
North Dakota Department of Health  
Division of Municipal Facilities  
918 East Divide Avenue, Third Floor  
Bismarck, ND 58501-1947





# Questions Completing Pages 1 – 7 of the Application

- 💧 ND Public Finance Authority
- 💧 Phone: 1.800.526.3509 or 701.328.7100
- 💧 Fax: 701.328.7130
- 💧 Email: [ndpfa@nd.gov](mailto:ndpfa@nd.gov)
- 💧 Website: [www.nd.gov/pfa](http://www.nd.gov/pfa)



# Questions Completing Pages 8-18 of the Application

- 💧 ND Department of Health
- 💧 Phone: 701.328.5211
- 💧 Email: [dbruschw@nd.gov](mailto:dbruschw@nd.gov)
- 💧 Website: <http://www.ndhealth.gov/MF/>





# Questions?





# Facility Plan & Environmental Approval

Dave Bergsagel



# Facility Plans

- 💧 Submission of Facility Plan
  - 💧 Prepare and submit to NDDH prior to preparation of plans and specifications
  - 💧 Can be submitted prior to or after loan application





# Facility Plan

- 💧 Problem definition and background data
  - 💧 Describe need
  - 💧 Identify regulatory, public health, environmental and safety issues
  - 💧 Show planning area, existing/future service areas





# Facility Plan

- 💧 Analysis of alternatives
  - 💧 Optimum operation of existing system
  - 💧 Upgrade of existing system
  - 💧 New system
- 💧 Comparison of alternatives
  - 💧 Environmental evaluation
  - 💧 Cost effectiveness analysis



# Facility Plan

- ☹ Selected alternative
  - ☹ Selection reasoning
  - ☹ Description
    - ☹ Drawings/diagrams of process units and operations
    - ☹ Financial data, including capital costs, O&M costs and proposed fee schedule
- ☹ Environmental benefits and impacts





# Facility Plan

- 💧 Environmental Impacts – Include comments from these agencies & any others affected:
  - 💧 State Water Commission
  - 💧 State Game and Fish Dept.
  - 💧 State Historical Preservation Officer
  - 💧 US Fish and Wildlife Service





# Facility Plan

## 💧 Additional agencies:

- 💧 US Dept. of Agriculture, Natural Resources Conservation Service
- 💧 US Army Corps of Engineers, Local and District Offices
- 💧 Local Planning Authorities
- 💧 North Dakota Dept. of Health



# Facility Plan

- ☉ Public participation
  - ☉ Public meeting(s) to discuss alternatives and proposed solutions
  - ☉ Public meetings must be well publicized
  - ☉ Include public comments and how they were addressed or copy of meeting minutes





# Environmental

- 💧 NDDH prepares FONSI or Categorical Exclusion
  - 💧 FONSI complete 30 days after publication
  - 💧 Categorical Exclusion complete upon publication
- 💧 Cannot award construction contract until FONSI or Categorical Exclusion process is complete





# Questions?



# Plans & Specifications

Paul Levchak





# Plans and Specifications

## Contract Documents

- 💧 Advertisement for bids (language covering MBE/WBE and EEO requirements)
- 💧 DBE solicitation information sheets (required in bidders envelope)





# Plans and Specifications

## Contract Documents (cont)

### 💧 Bonding and Insurance

- 💧 5% Bid Bond – Required with Bid

- 💧 100% performance bond with payment clause or  
100% Performance and 100% Payment Bond

- 💧 Insurance (public liability, builders risk, property  
damage, fire, flood and workman's compensation)



# Plans and Specifications

## Contract Documents (cont)

- 💧 General Conditions
- 💧 Construction Contracts
- 💧 Notice of Award
- 💧 Notice to Proceed
- 💧 Change Order





# Plans and Specifications

## Contract Documents (cont)

- 💧 Contract Dispute Clauses (Late completion Penalties)
- 💧 Time of Completion
  - 💧 Number of days
  - 💧 Completion date
- 💧 Right of Entry
- 💧 Treatment during construction





# Plans and Specifications

## SRF Specification Package and Required Bid Language

- ☹ Notice of requirement for Affirmative Action
  - ☹ Goals for minority participation
  - ☹ Goals for female participation
  - ☹ Covered area described
- ☹ Equal Opportunity Clause
- ☹ Standard EEO Specification (Executive Order 11246)



**EQUAL EMPLOYMENT OPPORTUNITY and AFFIRMATIVE ACTION REQUIREMENTS on  
FEDERALLY ASSISTED CONSTRUCTION CONTRACTS**

**Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity  
(Executive Order 11246)**

1. The Offeror's or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Specifications" set forth herein.

2. The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Goals for minority participation in each trade - \_\_\_\_\_  
Goals for female participation in each trade - \_\_\_\_\_

These goals are applicable to all the contractor's construction work (whether or not it is Federal or Federally assisted) performed in the covered area. If the contractor performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the contractor also is subject to the goals for both its federally involved and nonfederally involved construction.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.5(a), and its efforts to meet the goals. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from contractor to contractor or from project to project for the sole purpose of meeting the contractor's goals shall be a violation of the contract, the Executive Order, and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

3. The contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address and telephone number for the subcontractor; employer identification number of the subcontractor; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the contract is to be performed.

4. As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is \_\_\_\_\_

This notice shall be included in, and shall be a part of, all solicitations for offers and bids on all federal and federally assisted construction contracts or subcontracts.

**EQUAL OPPORTUNITY CLAUSES**

The Equal Opportunity Clause published at 41 CFR Part 60-1.4(b) is required to be included in, and is part of, all nonexempt federally assisted construction contracts and subcontracts. The Equal Opportunity Clause shall be considered to be a part of every contract and subcontract required by the regulations in this part to include such a clause whether or not it is physically incorporated in such contracts.

In addition to the clauses described above, all federal contracting officers, all applicants, and all non-construction contractors, as applicable, shall include the specifications set forth in this section in all federal and federally assisted construction contracts in excess of \$10,000 to be performed in geographical areas designated by the Director pursuant to §60-4.6 of this part and in construction subcontracts in excess of \$10,000 necessary in whole or in part to the performance of nonconstruction Federal contracts and subcontracts covered under the Executive Order.

**STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY CONSTRUCTION CONTRACT**





# Plans and Specifications

## SRF Specification Package and Required Bid Language

- 💧 MBE/WBE utilization guidance
  - 💧 MBE utilization objective
  - 💧 WBE utilization objective
  - 💧 MBE/WBE Subcontractor Solicitation Form  
***MUST BE SIGNED AND IN OUTER BID ENVELOPE***
- 💧 Discovery of Archeological and Other Historical Issues
- 💧 Occupational Safety and Health Act of 1970





# Plans and Specifications

## SRF Specification Package and Required Bid Language

- 💧 Davis Bacon, with current wage rate
- 💧 Contact information form (required by the U.S. Department of Labor (USDOL). This form is completed and submitted to the USDOL and us within 10 working days of award of any construction subcontract in excess of \$10,000.



# Plans and Specifications

## SRF Specification Package and Required Bid Language

- 💧 EPA form 6100-4 (DBE Subcontractor Utilization Form)
- 💧 EPA form 6100-3 (DBE Subcontractor Performance Form)
- 💧 EPA form 6100-2 (Subcontractor Participation Form)





# Plans and Specifications

## Submittal

- 💧 Cover letter
  - 💧 Contact information
  - 💧 Project description
- 💧 Civil, mechanical, electrical plans and specification certified by a ND registered Professional Engineer





# Plans and Specifications

## Review

- 💧 Specifications

- 💧 Written details of project construction
  - 💧 Specific and general

- 💧 Plans

- 💧 Drawings of project
  - 💧 Details and locations



# Plans & Specifications

## Standards

- 💧 Ten States Standards

- 💧 AWWA Standards

- 💧 NSF 60 & 61





# Questions?





# Bid Review and Contract Award

Paul Levchak



# Bid Review and Contract Award

- 💧 Engineer's Letter of Recommendation to Award
- 💧 Proof of advertisement provided (affidavit of Publication required)
- 💧 Revised budget sheet submitted ( loan increase if appropriate)
- 💧 Letter or minutes from loan recipient requesting authorization to award contract





# Bid Review and Contract Award

- 💧 Addenda not previously submitted and bidders acknowledgment of addenda
- 💧 Two lowest bid proposals (with 5% bid bonds)
- 💧 MBE/WBE solicitation information sheets submitted by two lowest bidders
- 💧 Certification Regarding Debarment
- 💧 EPA Forms 6100-4 and 6100-3





# Bid Review and Contract Award

- 💧 All proposals complete, signed and dated
- 💧 Bid tabulation complete, including engineer's estimate
- 💧 Does the low bid exceed the engineers estimate by 10%
- 💧 Revised engineering agreement, if applicable



# Questions?





# Construction Phase

Paul Levchak





# Construction Phase

## Preconstruction Conference

- 💧 This project must comply with Davis Bacon wage schedules
  - 💧 Interviews will be conducted by recipient's representative
- 💧 Change orders
  - 💧 Must be reviewed by the engineer and then approved by NDDH



# Construction Phase

## Precon (cont)

- 💧 Recipient must maintain separate project account
- 💧 Project must follow the EEO requirements
  - 💧 Bulletin board on location to include: - EEO poster; - Davis Bacon poster and - D/B current wage rate
- 💧 Safety - project is subject to OSHA regulations and requirements
- 💧 Engineer to document safety meetings





# Construction Phase

## Precon (cont)

- 💧 Any MBE/WBE subcontractors?
- 💧 EPA form 6100-4 (DBE Subcontractor Utilization Form)
- 💧 EPA form 6100-3 (DBE Subcontractor Performance Form)





# Construction Phase

- 💧 Inspections during construction will be random
  - 💧 Will check Davis Bacon, wage rate, EEO posters
  - 💧 Status of project



# Construction Phase

## Close Out

- 💧 Before we can close the project account, we will need:
  - 💧 Engineer's/Owner's/Contractor's Certification - states that project is constructed according to approved plans & specifications and any change orders signed/dated





# Construction Phase

## Close Out (cont)

- 💧 Initiation of Operation letter with date
- 💧 Release and Assignment form signed/dated (DWSRF)
- 💧 Final Balancing Change Order
- 💧 O&M Manual Letter
- 💧 Recipient's & Contractor's Certification of Payroll





# Questions?



# SRF Requests for Payment

Kylee Merkel





# SRF Requests for Payment

## 💧 General rules

- 💧 First request - at least 5% of loan amount or \$50,000 whichever is less
- 💧 Except for the final, all requests must be a minimum of \$2,500
- 💧 Costs for purchase of land, easements, right-of-way, and associated legal and engineering fees are not eligible under the CWSRF program





# SRF Requests for Payment

## 💧 General rules

- 💧 Copy of engineering agreement required before any engineering fees are reimbursed
- 💧 Contractor's pay applications must be signed



# SRF Requests for Payment

- 💧 What is needed to process a request
  - 💧 Provide wire instructions to LaDonna at Bank of ND, (701) 328-5612
    - 💧 Bank routing number, account number
    - 💧 Name on account
  - 💧 Completed SRF Request for Payment form with *original* signatures of recipient's authorized representative and a representative of the engineering firm
  - 💧 One copy of supporting documentation for all costs requested – do not need to be originals





# SRF Requests for Payment, cont.

## 💧 Limitations

- 💧 When a project is near completion, payments will be limited to 95% for DWSRF and 99% for CWSRF to ensure that we receive the final paperwork to close out the loan
- 💧 Limitation is figured on total costs incurred to date or on loan amount whichever is less





# SRF Requests for Payment, cont.

- Procedure/Timeframe for receiving payments
  - Completed requests must be received by Health Department by Monday for processing in order to receive payment the following Monday
  - Depending on the number and complexity of weekly requests received, and also the bond counsel selected, payments can take longer



# SRF Requests for Payment

- 💧 Procedure/Timeframe for receiving payments
  - 💧 Final requests for payment will not be processed until all the required closeout documentation has been received
  - 💧 Copies of paid requests will be sent back to loan recipients and the consulting engineers





# SRF REQUEST FOR PAYMENT

North Dakota Department of Health  
Municipal Facilities  
SFN 7804(1-91)

☐ Clean Water SRF  
☐ Drinking Water SRF

Instructions on back

1. Type of Request <input type="radio"/> FINAL <input type="radio"/> PARTIAL	2. SRF Project No.	3. Payment Request No.	4. Employer ID No.	5. Recipient Account No.
6. Name of Recipient Organization			Address	
City	State	Zip Code	Period Covered by Request From: To:	

## 8. STATUS OF FUNDS:

CLASSIFICATION	(a)	(b)	TOTAL
a. Administrative expenses	\$	\$	\$
b. Preliminary expenses			
c. Land, structures, right-of-way			
d. Engineering basic fees			
e. Other engineering fees			
f. Project inspection fees			
g. Land development			
h. Relocation expenses			
i. Relocation payments to individuals/businesses			
j. Demolition and removal			
k. Construction and project improvement cost			
l. Equipment			
m. Miscellaneous cost			
n. Total cumulative to date (sum of lines a thru m)			
o.			
p. SRF payments previously received			
q. Amount requested for payment			
r. Percentage of physical completion of project	%	%	%

## 9. CERTIFICATION:

I certify that, to the best of my knowledge and belief, the billed costs or disbursements are in accordance with the terms of the loan agreement, the payment represents an amount which has not been previously requested, and all work is in accordance with the terms of the loan agreement.

a. Recipient	Signature of Authorized Certifying Official (PLEASE USE <u>BLUE</u> INK)	Date Request Submitted
	Typed or Printed Name and Title	Telephone (area code, number & ext.)
b. Representative certifying to Line 8r	Signature of Authorized Certifying Official (PLEASE USE <u>BLUE</u> INK)	Date Signed
	Typed or Printed Name and Title	Telephone (area code, number & ext.)

## FOR DEPARTMENT USE ONLY

10a. Date of Health Dept Approval	10b. Date of Municipal Bond Bank Approval	10c. Date of SRF Payment Disbursal
Authorized By:	Authorized By:	Authorized Trustee:





**SRF REQUEST FOR PAYMENT**

☐ Clean Water SRF  
☐ Drinking Water SRF

Instructions on back



# SRF Requests for Payment

## 8. STATUS OF FUNDS:

CLASSIFICATION	(a) Current Request	(b) Previous Request	TOTAL
a. Administrative expenses	\$	\$	\$
b. Preliminary expenses			
c. Land, structures, right-of-way			
d. Engineering basic fees			
e. Other engineering fees			
f. Project inspection fees			
g. Land development			
h. Relocation expenses			
i. Relocation payments to individuals/businesses			
j. Demolition and removal			
k. Construction and project improvement cost			
l. Equipment			
m. Miscellaneous cost			
n. Total cumulative to date (sum of lines a thru m)			
o.			
p. SRF payments previously received			
q. Amount requested for payment			
r. Percentage of physical completion of project	%	%	%



# SRF Requests for Payment

## 8. STATUS OF FUNDS:

CLASSIFICATION	(a)	(b)	TOTAL
a. Administrative expenses	\$	\$	\$
b. Preliminary expenses			
c. Land, structures, right-of-way			
d. Engineering basic fees			\$411,406.69
e. Other engineering fees			
f. Project inspection fees			
g. Land development			
h. Relocation expenses			
i. Relocation payments to individuals/businesses			
j. Demolition and removal			
k. Construction and project improvement cost			\$6,868,050.52
l. Equipment			\$150,440.80
m. Miscellaneous cost			
n. Total cumulative to date (sum of lines a thru m)			\$7,429,898.01
o.			
p. SRF payments previously received			\$7,057,244.00
q. Amount requested for payment			\$372,654.00
r. Percentage of physical completion of project	%	%	42 %





# SRF Requests for Payment

## 8. STATUS OF FUNDS:

CLASSIFICATION	(a) Current Request	(b) Previous Request	TOTAL
a. Administrative expenses	\$	\$ 954.48	\$ 954.48
b. Preliminary expenses			
c. Land, structures, right-of-way			
d. Engineering basic fees	\$3201.50	\$96,162.79	\$99,364.29
e. Other engineering fees			
f. Project inspection fees			
g. Land development			
h. Relocation expenses			
i. Relocation payments to individuals/businesses			
j. Demolition and removal			
k. Construction and project improvement cost	\$141,069.82	\$247,462.74	\$388,532.56
l. Equipment			
m. Miscellaneous cost			
n. Total cumulative to date (sum of lines a thru m)	\$144,271.32	\$344,580.01	\$488,851.33
o.			
p. SRF payments previously received			\$344,580.00
q. Amount requested for payment			\$144,271.00
r. Percentage of physical completion of project	%	%	65 %



# SRF Requests for Payment

## 8. STATUS OF FUNDS:

CLASSIFICATION	(a) CWSRF	(b) CDBG	TOTAL
a. Administrative expenses	\$	\$	\$
b. Preliminary expenses			
c. Land, structures, right-of-way			
d. Engineering basic fees	\$22,560.47		\$22,560.47
e. Other engineering fees			
f. Project inspection fees	\$13,536.83		\$13,536.83
g. Land development			
h. Relocation expenses			
i. Relocation payments to individuals/businesses			
j. Demolition and removal			
k. Construction and project improvement cost	\$93,481.40	\$99,710.88	\$193,129.28
l. Equipment			
m. Miscellaneous cost			
n. Total cumulative to date (sum of lines a thru m)	\$129,578.70	\$99,710.88	\$229,289.58
o.			
p. SRF payments previously received	\$22,560.00		
q. Amount requested for payment	\$107,019.00		
r. Percentage of physical completion of project	%	%	68 %



# SRF Requests for Payment

## 9. CERTIFICATION:

I certify that, to the best of my knowledge and belief, the billed costs or disbursements are in accordance with the terms of the loan agreement, the payment represents an amount which has not been previously requested, and all work is in accordance with the terms of the loan agreement.

<b>a. Recipient</b>	Signature of Authorized Certifying Official (PLEASE USE <u>BLUE</u> INK)	Date Request Submitted
	Typed or Printed Name and Title	Telephone (area code, number & ext.)
<b>b. Representative certifying to Line 8r</b>	Signature of Authorized Certifying Official (PLEASE USE <u>BLUE</u> INK)	Date Signed
	Typed or Printed Name and Title	Telephone (area code, number & ext.)

## FOR DEPARTMENT USE ONLY

10a. Date of Health Dept Approval	10b. Date of Municipal Bond Bank Approval	10c. Date of SRF Payment Disbursal
Authorized By:	Authorized By:	Authorized Trustee:





# Questions?



# Ongoing SRF Requirements

Kylee Merkel





# SRF Annual Review

- 💧 Each year a political subdivision has an outstanding loan with the PFA, must submit either:
  - 💧 Audit report or
  - 💧 State Auditor's "Annual Financial Report in Lieu of an Audit."
- 💧 Reserves and coverage are reviewed





# Loan Repayment

- 💧 Bank of North Dakota, as trustee, sends the invoices and receives the payments.
- 💧 Within 12 months of the completion of construction, a principal payment must be made.
- 💧 March 1 – interest and admin fees
- 💧 September 1 – principal, interest & admin fees



# SRF Federal Funds

- 💧 SRF Loans are considered federal funds.
- 💧 Any combination of federal funds (CDBG, RD, EPA, HUD, etc.) exceeding \$500,000 in a fiscal year requires a Single Audit.
- 💧 Single Audit is only required in the year(s) federal funds exceeding \$500,000 are received.





# SRF Requirements for loans backed by Revenue Bonds

- 💧 Required Reserves
- 💧 120% Operating Coverage





# SRF Required Reserves

Applies only to loans backed by Revenue Bonds

- 💧 Reserves are held by the political subdivision.
- 💧 Required to be funded within 5 years of fully funding a loan.
- 💧 The required reserve amount is the lesser of
  - 💧 10% of par
  - 💧 Maximum annual principal and interest
  - 💧 125% average annual principal and interest



# SRF 120% Operating Coverage

Applies only to loans backed by Revenue Bonds

Bond resolutions for loans backed by revenue bonds covenant that the Borrower will charge fees that will generate net revenues that are at least equal to 1.2 times the annual debt service for **ALL** outstanding revenue bonds.





# 120% Coverage Example

Applies only to loans backed by Revenue Bonds

Operating Rev	\$800,000
Less: Operating Exp	760,000
Plus: Depreciation	<u>80,000</u>
Net Operating	\$120,000

Annual Revenue Bond Principal & Interest	\$100,000
--	-----------

Coverage:

$$\$120,000 / 100,000 = 120\%$$





# Certification Letter

- 💧 One Year Certification Letter must be submitted to Health Department
  - 💧 Dated at least one year after date of initiation of operation



# Questions?





# Navigating the Website

- 💧 North Dakota Department of Health
  - 💧 [www.ndhealth.gov](http://www.ndhealth.gov)
  - 💧 Click on Environmental Health (See tabs along the top) [www.ndhealth.gov/EHS](http://www.ndhealth.gov/EHS)
  - 💧 Click on Municipal Facilities
    - 💧 [www.ndhealth.gov/MF](http://www.ndhealth.gov/MF)





# Navigating the Website

- 💧 Municipal Facilities Web page
  - 💧 Click on Publications (See list on the left)
  - 💧 See Clean Water State Revolving Fund or scroll down to Drinking Water State Revolving Fund
    - 💧 Davis-Bacon insert
    - 💧 Specifications package
    - 💧 SRF Loan Application
    - 💧 SRF Request for Payment



←→

http://www.ndhealth.gov/

North Dakota Department ...

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North Dakota

nd.gov Official Portal for North Dakota State Government


North Dakota

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NORTH DAKOTA

DEPARTMENT of HEALTH



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Executive Office

State Health Council



Welcome to the North Dakota Department of Health website. It's amazing how public health affects our lives every day. We breathe clean air and drink safe, sparkling water. Our garbage is disposed of properly. We can do our jobs in smoke-free workplaces and feel confident that the food we eat in restaurants is safe. Our children are immunized against many diseases that struck fear into the heart of every parent just a few decades ago. These accomplishments and more are due to the efforts of public health at the state and local level.

To see how public health affects your life every day, click here: [A Day in Your Life Thanks to Public Health](#).

All of us at the Department of Health are committed to safeguarding the health of every North Dakotan. We look forward to continuing our service to you.

Terry Dwelle, M.D., M.P.H.T.M.  
State Health Officer

Health Topics A-Z

Navigate the website by topic

Frequently Requested

Birth/Death/Marriage Certificates

Immunizations

Environmental Issues

Health Alerts

Women's Way

Nursing Homes

Disease Fact Sheets

Current Issues

Flooding

Oil Patch Housing - Environmental/Other Requirements (pdf)

Monthly Report 2020

Legislative Testimony

ARRA Projects

Influenza

Uranium in Groundwater

Erionite

Public Notices

Disaster Info & Resources North Dakota

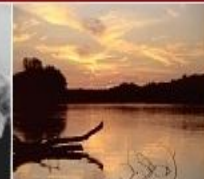
ND Disaster Info.com

www.NDDisasterInfo.com





**NORTH DAKOTA**  
**DEPARTMENT of HEALTH**  
Environmental Health



[⊕ Contact Us](#)

➤ Office Locations

[Public Notices](#)

## Publications

## Environmental Health Section

**Air Quality Division**

Air quality permits, air quality compliance, air quality impact analysis, air quality monitoring, radiation, lead-based paint, asbestos and indoor air quality.

## Laboratory Services Division

Analysis of environmental samples, environmental laboratory certification and microbiology.

## Municipal Facilities Division

~~Clean water state revolving loan fund, drinking water program including operator certification, training, and facility inspections, and drinking water state revolving loan fund~~

## Waste Management Division

Hazardous waste program, PCB (polychlorinated biphenyls), Brownfields, Underground Storage Tank program, antifreeze registration, petroleum product testing, Solid Waste Program, pollution prevention and abandoned automobile.

## Water Quality Division

Surface water quality/management, water quality special projects, waste-water facility/permits, groundwater protection program.

## Current Issues

- ④ [Oil Patch Housing - Environmental/Other Requirements \(pdf\)](#)
- ④ [Spill Reporting/Environmental Releases](#)
- ④ [Pesticide General Permit Requirements](#)
- ④ [Stormwater Permitting](#)
- ④ [Erionite](#)
- ④ [Devils Lake](#)
- ④ [Air Quality Permitting](#)
- ④ [Animal Feeding Operations](#)
- ④ [Guidelines for the Use of Oilfield Salt Brines in Dust and Ice Control \(pdf\)](#)
- ④ [Uranium in Groundwater](#)

## Links

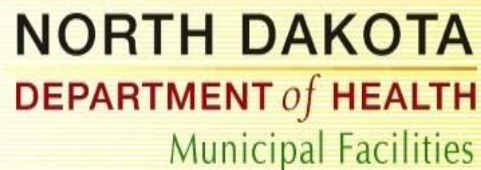
- Submit an Environmental Incident Report
- Submit a Fish Kill Report

## New or Changed Rules



Need more information or have questions? Please call the Environmental Health Section at 701.328.5150







**NORTH DAKOTA**  
**DEPARTMENT *of* HEALTH**  
Municipal Facilities



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- ④ [NDWPCC](#)
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### Program Links

- ④ Clean Water SRF
- ④ Drinking Water
- ④ Drinking Water SRF

## Publications

(all publications will open in a new window)

## Municipal Facilities

**Clean Water State Revolving Fund**

- [2009 ARRA Intended Use Plan](#)  
[ARRA Loan Supplement \(pdf\)](#)  
[CWSRF 2011 Priority List \(pdf\)](#)  
[CWSRF Green Project Reserve 2010 Guidance \(pdf\)](#)  
[CWSRF Questionnaire for Potential Financial Assistance \(Word format\)](#)  
[Davis-Bacon ARRA Grant Requirements](#)  
[Non-Governmental Entity Davis-Bacon Specification Insert](#)  
[Recovery.gov](#)  
[Specification Package and Required Bid Language \(Updated May 2011\)](#)  
[SRF Loan Applications](#)  
[SRF Request for Payment](#)

### Drinking Water

- [Application for Operator Certification](#)
- [Combined Filter Effluent Turbidity Monitoring Data](#)
- [Disinfectants and Disinfection By-products Rule \(DBPR\) Summary](#)
- [Distribution System Disinfectant Residual Monitoring Data](#)
- [Exceptions Report for Individual Filter Monitoring](#)
- [Individual Filter Turbidity Monitoring Data Summary](#)

- [Vol. 95, No. 1-6, 2009 Spring Issue](#)  
[Vol. 95, No. 7-9, 2009 Conference Issue](#)  
[Vol. 96, No. 10-12, 2010 Winter Issue](#)  
[Vol. 96, No. 1-6, 2010 Spring Issue](#)  
[Vol. 96, No. 7-9, 2010 Conference Issue](#)  
[Vol. 97, No. 1-8 2011 Spring Issue](#)  
[Vol. 97, No. 7-9 2011 July-September Conference Issue](#)

## Drinking Water State Revolving Fund

- [2011 Governor's Report on Capacity Development](#)  
[2011 Project Priority List](#)  
[Non-Governmental Entity Davis-Bacon Specification Insert](#)  
[Specification Package and Required Bid Language \(Updated May 2011\)](#)  
[SRT Loan Applications](#)  
[SRT Request for Payment](#)

## American Recovery and Reinvestment Act

- [2009 ARRA 1511 Certification \(pdf\)](#)  
[2009 ARRA Intended Use Plan \(pdf\)](#)  
[ARRA Loan Supplement \(pdf\)](#)  
[Davis-Bacon ARRA Grant Requirements](#)  
[Recovery.gov](#)

## Green Project Reserve

- [GPR 2010 Guidance](#)  
[GPR Business Case Examples](#)

## Project Ranking Forms

- Project Update Questionnaire for Ranking Potential Projects (Word format)  
Ranking Questionnaire for Potential Projects

## Water System Capacity Assessment Manual

- Capacity Attribute Evaluation
- | Existing Water System | New Water System |
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- » SCHOOL FINANCING
- » INDUSTRIAL DEVELOPMENT
- » OFFICIAL STATEMENTS
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## State Revolving Fund Program

The State Revolving Fund Program (SRF) was established in 1990 to enable North Dakota to receive federal capitalization grants as authorized under the Clean Water Act. In 1998, the SRF was amended to enable the State to receive capitalization grants as authorize under the Safe Drinking Water Act. The SRF grants, received from the United States Environmental Protection Agency, are to be used to make below-market interest rate loans to political subdivisions for the purpose of financing authorized projects, to establish reserve funds, and for other purposes allowed under the Clean Water and Safe Drinking Water Acts. Authorized projects under the SRF include wastewater treatment facilities, non-point source pollution control projects, and public water systems. The North Dakota Department of Health and the Authority jointly administer the SRF.

The interest rates on SRF loans are set by the Department of Health in consultation with the Authority. The interest rates are fixed for a term up to 20 years. Currently, the interest rate for all SRF loans is 3.0%, which includes a .5% administrative fee.

The SRF Program has been assigned a rating of "AAA" by Moody's Investors Service, Inc.

## Loan Applications

» [Clean Water State Revolving Fund](#) (340kb rtf)

» [Drinking Water State Revolving Fund](#) (374kb rtf)

## Bond Counsel

» [Bond Counsel](#) (19kb pdf)

1200 Memorial Highway  
PO Box 5509  
Bismarck, ND 58506-5509  
  
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800.526.3509 : toll-free  
701.328.7130 : fax  
[ndpfa@nd.gov](mailto:ndpfa@nd.gov)

Search:

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# Questions?

